Provision Will Reduce Louisiana's Cost Share on Hurricane Ike Recovery Projects
June 16, 2009

WASHINGTON, D.C. - U.S. Rep. Charlie Melancon (LA-03) voted today in support of legislation that included a provision significantly reducing Louisiana's state/local cost share for Hurricane Ike recovery projects. The provision was included in the Supplemental Appropriations Act of 2009 (H.R. 2346) after Congressman Melancon requested the cost share reduction in a Letter to House leadership last week. *Provision Will Reduce Louisiana's Cost Share on Hurricane Ike Recovery Projects*June 16, 2009

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This change could save the state and local governments upwards of \$25 million, according to estimates by the Louisiana Governor's Office on Homeland Security and Emergency Preparedness. H.R. 2346, with the Melancon provision included, passed the House tonight by a vote of 226 to 202.

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"The speed of our recovery in south Louisiana is not limited by the energy and dedication of our people, but only by the resources we have at our disposal," said Rep. Melancon. "This bill will dramatically increase much-needed federal funding for hurricane recovery projects in Louisiana, and I thank House leadership for supporting our rebuilding efforts with not just words but action. My only disappointment is that there was not more bipartisan support from my colleagues for a bill that will both boost our recovery in south Louisiana, and also provide for the needs of our troops in harm's way in Iraq and Afghanistan."

In advocating for a reduction in Louisiana's Gustav and Ike cost share, Congressman Melancon noted in his letter to House leadership last week that Congress's elimination of the state/local match for Hurricanes Katrina and Rita recovery projects had provided an enormous boost for the state's rebuilding efforts. Likewise, Hurricanes Gustav and Ike have stretched state and local government budgets to the breaking point as communities struggle to cover both recovery costs and normal day-to-day expenses.

Under current law, the state of Louisiana and the local project sponsors are required to pay 25% of the cost for most rebuilding projects and essential assistance (emergency protective measures taken immediately after a disaster to save lives and property), and 10% for debris removal projects resulting from the two 2008 hurricanes. Meeting this local match requirement has been an enormous burden on both local governments and the state, as the storms have dramatically reduced their revenues.

The Melancon cost share provision included in the Supplemental bill would completely eliminate the state/local cost share for Hurricane lke essential assistance and debris removal projects, making them 100% federally funded. The bill would also reduce the state/local cost share from 25% to 10% for Hurricane lke repair and rebuilding projects, making them 90% federally funded.

Yesterday, after he received confirmation that these changes would be included in the Supplemental, Congressman Melancon sent a <u>letter</u> to his six Louisiana colleagues in the House of Representatives urging them to support the bill.

In his letter, Congressman Melancon wrote, "Although I would have liked adjustments for both Hurricanes Ike and Gustav included in this legislation, these changes will benefit 27 parishes across the State (Acadia, Allen, Beauregard, Bienville, Calcasieu, Cameron, Concordia, DeSoto, Iberia, Jefferson, Jefferson Davis, Lafourche, Livingston, Natchitoches, Plaquemines, Red River, Sabine, St. Bernard, St. Charles, St. John, St. Martin, St. Mary, St. Tammany, Terrebonne, Union, Vermillion, Vernon)."

Congressman Melancon continued, "The Louisiana Governor's Office of Homeland Security and Emergency Preparedness estimates that these changes will save the State \$25 million, which helps all parishes still rebuilding from Hurricanes Katrina, Rita, and Gustav. As you consider your vote on H.R. 2346, I ask that you most remember how important this measure is to our troops and to the rebuilding of our State after Hurricane Ike. I also urge you to support this bill."

Congressman Melancon has been working to reduce the local cost share for Gustav and Ike recovery projects since last September, when he asked President to waive Louisiana's local match requirement. While President Bush waived the cost share for Texas last fall, he did not waive Louisiana's match. Click here to view Rep. Melancon's September 2008 letter.

Over the past four years, Congressman Melancon has worked in Congress to reduce the financial burden on citizens and local governments in south Louisiana following major hurricanes. After Hurricanes Katrina and Rita, he worked to convince Congressional leadership to waive 100% of the local cost share requirement for disaster recovery projects in Louisiana.

At the request of Congressman Melancon and the entire Louisiana delegation, the cost share waiver was included in the 2007 Iraq/Katrina Emergency Supplemental Appropriations bill, which was passed by Congress and signed into law by the President at the end of May 2007. Before the local cost share was waved, many of the estimated 23,000 disaster recovery projects in Louisiana had been put on hold because local governments did not have the resources to provide the match.

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